

every age, every ethnic group, all religions, all with one message: Bring our troops home now.

There were six Members of Congress who were present there, and we thanked all of the people who attended for caring enough to come to Washington, DC, to spend their money to urge their government to end this war.

Mr. Speaker and Members, this was democracy at work. It was a beautiful day. People were in high spirits. We walked. We sang. We chanted. And we literally said we love this country, we love our soldiers, and we want the best for our people.

We were joined by many veterans. There were several veterans groups there. But the most moving and touching part of this march was the mothers who marched with us, and they had signs. Some of them had signs of their sons who had been killed in Iraq. Some of them brought the message that they had paid a huge sacrifice and they did not wish Americans to continue paying this high price for a war that we should not be in.

This is a war that it is easy to be against, because we were led into this war under false pretenses. There are no weapons of mass destruction. We have been told that we would be greeted with open arms. We were told that we would be seen as the liberators. None of that was true. We are occupiers, and they want us out of Iraq. It is not simply that the Sunnis want us out of Iraq. It is not simply that the Shiites want us out or the Kurds want us out. They all want us out of Iraq.

This was a wonderful weekend because not only did we march and we rallied, but the marchers came to Capitol Hill and they lobbied their legislators. They knocked on their doors. They came from all these towns and hamlets and cities all over America to talk with their legislators. This truly was democracy at work.

And today we filled 1100 Longworth, the Ways and Means room, where we had a forum with 11 book authors who have written about the war in Iraq, what is wrong with it and why we should get out, and did we have a discussion. It was one of the most beautiful discussions with highly intelligent authors who have done research, who have put a lot of work into producing these books. And they shared with us in a very profound way what they knew and why they had decided to take a part of their lives to stop and write about what is wrong with our being in Iraq.

So this was a wonderful weekend. This has been a wonderful time. I keep saying this is democracy at work because this is what the Constitution is all about. It is about participation of the citizens.

The citizens of this country are sick and tired of this war. I don't know why the Members of Congress are allowing the citizens to get way ahead of them. They elect us to come and represent them. They think that we have the re-

sources to know what is going on. We give a lot of money to our intelligence agencies. We should be able to tell the people what is wrong and what is going on in Iraq. But, instead, they are ahead of us; and they are urging us to stop this war.

But, in the final analysis, they know everything about what we are doing. It is not enough to talk the talk. You have got to walk the walk. They know the difference between nuancing and posturing, and they want action.

And they know that we are about to have a resolution over in this House that will disagree with the surge, the escalation that is being advocated by this President. But they also understand that we can't stop that, that the President has already started to resend soldiers. These are not new boots on the ground. These are soldiers that have done their tours, that have been sent back a second and third time, and they say that is not enough.

They will know whether or not we mean business if we are prepared to stop funding this war.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from the District of Columbia (Ms. NORTON) is recognized for 5 minutes.

(Ms. NORTON addressed the House. Her remarks will appear hereafter in the Extensions of Remarks.)

THE DEMOCRATIC MAJORITY

The SPEAKER pro tempore. Under the Speaker's announced policy of January 18, 2007, the gentleman from Texas (Mr. CONAWAY) is recognized for 60 minutes as the designee of the minority leader.

Mr. CONAWAY. Mr. Speaker, we come to the House tonight to talk about a variety of things, most of which we will deal with taxes and the impact those taxes have on good, hard-working men and women across this country.

But I did want to respond just a little bit to what the previous speaker bragged about. She went through a long litany of good things that happened this weekend, which I certainly agree with everyone's right to do what they did and to express themselves and to come to this Capitol and make those statements.

She did leave out one minor issue, though, and that is that some of the antiwar protestors brought spray paint with them. And they came to this Capitol, this hallowed ground, the center of liberty for the world, which looks to this Capitol building for that; and those folks brought spray paint, and they painted the walls. They spray painted anarchy signs and anarchy slogans on the walls of this Capitol, which I think defacing public property under any circumstance ought to be wrong. That is wrong.

What else is wrong is the fact that the Capitol Hill Police were told to

allow that conduct to go on. And there were reports in one of the scandal rags today that the police's reaction to that was that they were disgusted. They were livid about the fact that they were forced to allow these anarchists to deface this public property, this building, which all of us serve in. Most of us serve very proudly here.

So not all of the folks who came this weekend conducted themselves the way that they should have, and there was a problem with that. And, hopefully, we will learn what the responsibility of the Democratic leadership was, what their role was in overriding what the Capitol Hill Police's natural and normal reaction would have been. Where did that come from and who told them not to stop that? We hope that we get some answers to those questions over the next coming days, because it is a serious issue when people are allowed to deface this building.

But let us talk about taxes. As our sign shows here, we are 1,433 days away from a staggeringly large tax increase. The first year I think it will be \$250 billion of taxes. In 2011, we will get an immediate bump. The Democrats simply have to do nothing.

In the 109th Congress, Lou Dobbs and others accused us of being a "do-nothing Congress." Well, you can put that label on the coming tax increase, because the Democrats simply have to do nothing over the next 4 years, and that is exactly what is going to happen.

Built into the current law, the current Tax Code has a drop-dead date of December 31, 2010, in which the changes made to the estate tax will expire and the other provisions of the 2001/2003 tax reductions will also expire. So if the Democrats do nothing, then we are 1,433 days away from that major increase. We are only 11 days since the last tax increase by the Democrats. And that was on Thursday a week or so ago where they increased taxes on the oil and gas business in this country, and we have talked about that some as well.

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We are going to have several speakers tonight, and the first one that we are going to yield time to is my good colleague, JOHN SULLIVAN from Oklahoma.

Mr. SULLIVAN. Mr. Speaker, I would like to thank my friend from Texas for doing this tonight, and also my friend, Congressman SHUSTER from Pennsylvania. This is a very important topic, talking about tax relief for America's working families, for America's small business people.

You know, we have seen a great economy recently. It is roaring along. Unemployment benefits are at an all-time low. You know, gross domestic product is up. We are seeing record numbers in our economy right now. That is due in small part, or in large part, because of the tax relief measures instituted by President Bush.

I do not think, you know, tax relief is the only answer to a robust economy

like we have right now, but it is certainly a piece of that puzzle. You know, other countries have used tax relief as an economic tool to get out of economic slow times. And America has done the same. It has been very important that we have done it.

You mentioned too, Congressman CONAWAY, about the oil and gas tax. You know, oil and gas keeps this economy going. People do not realize, especially people from producing States how vital that is to our economy.

There are so many byproducts from oil and gas. Taxing them is ridiculous. We need to spur domestic production here in the United States and become less reliant on foreign oil, not more reliant upon foreign oil.

Taxing the people that produce that, which is really not only the large oil, Big Oil like the Democrats like to say, but small producers out there, independent producers, small mom and pop independent producers that produce 90 percent of the domestic oil and gas in this country. It is absolutely wrong.

You know, people pay a lot in taxes. We pay too much in taxes. You know, government needs taxes for vital government services like the war, vital infrastructure needs. It is very important that we have taxes for that. But I think that government has gotten too big, and we have taxed too much.

If you think about it, if you look at your Federal tax, State tax, city tax, Congressman, we are taxed a lot. You get up in the morning, you take a shower, the alarm clock wakes you up, if it is an electric alarm clock, you pay taxes on electricity to get you up.

If you take a shower, you pay taxes on the water, soap and shampoo. If you eat breakfast, you pay tax on the cereal you eat. You go to work, if you drive there, you pay the motor fuel tax, tire disposal fee, tag tax.

You go to work, you have income tax or self-employment tax. You go home have dinner, taxed on that. And we are talking, Congressman CONAWAY, you can go home, kiss your wife, you are taxed on that too, that is not free either, you have got a marriage penalty tax too.

So we pay a lot in taxes in this country. And, you know, the people that are counting on these things, if we allow the Democrats to raise taxes like they want to do, and in essence that is what they are doing if they do not continue these vital tax decreases, is they are hurting the American people, they are hurting small business.

Now, 85 percent of the people that work in this economy right now are employed or work or own a small to medium-sized business. And those people, one of the things they talk about is providing health insurance to their employees, and they have been able to do it because of the tax relief, the money that they have saved because of that.

And if their taxes go up, they are not only going to have to probably lay

some people off, but they are not going to be able to provide the kind of health insurance that they want to provide for their employees. They have to make tough decisions right now, and it is wrong.

I remember Congressman SHUSTER and I, we were in the back of the Chamber when we were first elected, and the Democrats were talking about tax cuts. And they said, Bill and I heard them say that some of them were in a group and they said, if we allow people to keep that money, they might not spend it the right way.

Who are they to say that? It is their money. I mean, it is your money; it is not their money. The money that we take from, that we confiscate from taxpayers is not the politicians' money, it is not the Washington, DC people's money. It is the people's money, and they know best what to do with their own money.

And what they are going to do, if you allow a family to keep more of what they earn, they are not going to go bury it in the yard; they can if they want. But they are probably going to go out and buy other things that are taxed. It is going to stimulate the economy. That is what taxes really do. There is a dynamic economic effect of tax relief.

If you allow that money to bounce around the economy several times, it is going to find its way back to Washington anyway. But several people get to touch that dollar before it gets here. It spins around the economy. There is a dynamic economic effect to that. When you take money out of Washington, DC, it helps people, it helps the economy, it bounces around. It is going to find its way back anyway. And tax relief does work.

Mr. CONAWAY. Mr. Speaker, the gentleman mentioned a couple of things that I would like to flush out. You mentioned the phrase "Big Oil." It is used as a pejorative, of course. But under the Democrats' H.R. 6 they passed 11 days ago, Big Oil is defined as any C corporation exploring for oil and gas, any C corp. That includes ExxonMobil, all the way down to the smallest C corp, and that is tax phrase, for those out there that might be listening. But it is any C corp that has now got a tax rate that went from 32 to 35 percent, if this H.R. 6 sees the light of day from the Senate, and with the President signing it. So Big Oil includes a lot of folks, hardworking men and women who try to make a living in the oil business.

When I ran for Congress 3 years ago, I ran under the idea that being a CPA, being a business man, that that viewpoint was underrepresented in Congress. I did not have any empirical data to substantiate that, but it seemed to be the case. And once I got here, though, I had discovered that there are an awful lot of our colleagues who really do not understand how hard it is to make money, that finding a product that you can sell to somebody else, and

having bought or built that product for less than what you sell it for, and all of those kinds of things that go into making money is hard to do.

There are an awful lot of our colleagues who simply do not appreciate how hard that really is. So when they talk about tax increases or taking money away from hardworking folks, they do not understand the impact that that has.

One of the other things you mentioned, and you and I share districts where oil and gas are a major piece of the business, is how rugged and resilient and self-reliant these oil and gas guys are. We hit them with a tax increase 11 days ago. One of the things we talked about in the lead up to the debate to try to convince our colleagues on our side of the aisle and the other side of the aisle that this was not really a good idea is this idea that if you reduce the amount of money that is going into increases in domestic production, then you will lower domestic production.

I think everybody agrees on that we ought to be less dependent on foreign oil and foreign natural gas. That phrase rolls off every tongue in this Chamber. The truth of the matter is from where we are today to that point is a decade-long journey. And that decade-long journey is going to be driven with cars and trains and airplanes using fossil fuels.

So to the extent that we can increase domestic production, it seems to me logical that that would reduce the amount of foreign crude that we would have to import. And while it is difficult to exactly understand what the impact will be on those oil and gas C corporations with this tax increase they got 11 days ago, logic will tell you, if you spend less money in the exploration for crude oil and natural gas domestically, you will get less of it. That is just the mechanics. I think that is a pretty easy thing to say.

I appreciate my colleague coming here tonight from Oklahoma, sharing with us his thoughts on tax increases. I would now like to recognize my colleague from Pennsylvania who is actually the moving force behind these weekly hours. It is my pleasure this week to replacing him here in the well, but BILL SHUSTER from Pennsylvania has got some thoughts.

Mr. SHUSTER. Mr. Speaker, I appreciate my colleague from Texas for taking control of the time. I have got a bad wheel, but I did not want to miss this. I think it is so important.

I want to start off by just echoing your sentiments about what happened here in the capital this week. I mean, a bunch of anarchists, they pushed forward on the Capitol Police, as you said, and the Capitol Hill Police let them come through and deface the United States Capitol.

And I heard that they were saying, that they were chanting it was their

right to. But they have no right to deface the United States Capitol. This belongs to all of the Americans. And nobody has a right to do what they had to. I really want to know, and I hope there is an investigation, there should be an investigation to find out why the Capitol Hill Police did not resist them, and you know the party that is in the majority needs to answer, needs to stand up and be held accountable, because they are in charge, they are the ones that are giving the instructions to the Capitol Hill Police.

I want to know if the majority party said, we do not want you to confront them; let them do whatever they want to do. Because it is outrageous. And all Americans that are watching tonight, I do not know how widely it has been reported. I have heard a few reports. But, you know, it should have made top news that a group of anarchists spray painted their symbols on the Capitol. I heard the report was that there was no incident. Well, there should have been an incident. There should have been an extreme incident of resistance by the Capitol Hill Police to not allow someone to deface what I consider, this is the crown of America, this is the people's House and nobody should ever be allowed to do that. So I am outraged by it.

Mr. CONAWAY. Mr. Speaker, my sense from being around for a little better than 2 years now is that the reaction that was forced upon the Capitol Hill Police went against their nature. Their nature is to protect, not only to protect you and I and any other law-abiding citizen on these grounds, which is their job, but to protect these grounds as well. So it is inconceivable to me that our Capitol Hill Police, whose natural, normal reaction would be to stand back and let those spray-painters have at it, at the walls of this Capitol building. They had to have gotten some instructions from somewhere. And given the comments reflected in the paper today, that is clearly the case. They were told to stand down and not protect this building as is their nature and their love.

These folks love their job and do a great job at it. And so I agree with my colleague.

Mr. SHUSTER. Mr. Speaker, some of them have given their lives up to protect this building and Members of Congress. I agree with you, I cannot imagine that they did not get orders to stand down from the highest level.

Once again, the party in the majority runs this place. They need to be held accountable. They need to stand up and say what they did do, what they did not do. But in the future, if there are going to be, I am certain there will be, as there has been throughout our history, protests throughout the capital, and people have a right, absolutely have a right to protest, but they do not have a right to do it violently; they do not have a right to deface property that belongs to all of the taxpayers. So the questions need to be asked and we

need to have answers from the majority party.

Back again to why, the main reason we are here tonight, is to talk about the 1,433 days from now, if the majority, the Democrats in Congress, do not act over the next 4 years, or 1,433 days, we are going to see an over-\$200 billion tax increase on Americans, on the American family, on small businesses.

And that is going to significantly hurt this economy. And you just have to look at the facts. Over the last 4 years, 7.2 million jobs were created in this country because of those tax cuts. Just in December, 167,000 jobs were created. The unemployment rate at 4.5 percent, the lowest average it has been in five decades.

If we do not extend them, if we do not do what is responsible, then money, real dollars are going to come out of the American people's pocket. A family of four, making in the \$40,000 range, they are going to see a tax increase of about \$2,000.

Now, to some in this body, \$2,000 may not seem like a lot of money, but it is to a hardworking American family. \$2,000 is a nice down payment on a new car, \$2,000 will buy you a new washer and a dryer. \$2,000 helps you put your son or daughter or yourself through college or to get educated or trained on something.

So I hope that the American people that are watching tonight, whether you are Republican, you are a Democrat, there are lessons for us all through history, recent history, on why tax cuts work, why they are a good thing for the economy, why Americans should be allowed to keep their hard-earned dollars. You have to go back to the 1960s.

President Kennedy, he cut taxes. What did he see? The economy came on strong. Revenues to the Federal Government increased dramatically. We saw that in 1980. And today we are seeing it at record levels. As the gentleman from Oklahoma pointed out, there are a lot of things in this economy that are happening because of those tax cuts, and we need to make sure that they continue.

It is startling to me. Although, I watched and was obviously very keenly aware of what the Democrats were saying during the last campaign. And the first thing that they basically said, when you listen to the incoming chairman of the Ways and Means Committee, he basically told the American people that he did not see one of those tax cuts that really had merit and that everything was on the table. So the American people should not be surprised when they see these tax cuts.

And just 11 days ago was the first Democratic tax increase. They changed the rules of the House to make it a simple majority. When we put it in place as the majority party, it had to be three-fifths of votes to increase taxes. They made it a simple majority, because they knew how difficult it is going to be to get a majority in this House to raise taxes on the American people.

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So, once again, if we don't stand up and fight, and I hope my Democratic colleagues who aren't here tonight, the Blue Dogs who come down and talk about fiscal responsibilities, if they don't join with us to fight these tax cuts, they are going to take part in this huge tax increase that is going to occur on the American people. So I appreciate the gentleman tonight hosting this hour.

Mr. CONAWAY. Let me make a comment if I could on something that you had said. You talked about what hardworking Americans do with the money that they earn and keep; and you went through a litany of things that they buy, washers and dryers, cars and all these kinds of stuff. If you think about it, though, everything that they bought is made by somebody; and that person made a living making whatever it is they made.

Then there is also a good string of, for lack of a better phrase, middlemen in between that product being made and it being sold to the American consumer, which is the ultimate driver of this economy. You have got truck drivers and warehousemen and storage handlers and retailers and a long list of people who take that finished product from wherever it is made, even if it is made overseas, from wherever it is made, and they get it all the way to that retailer's shelf, where an American consumer takes that money that he or she earned themselves and they go buy that product.

That starts the cycle all over again that has built a growing economy that is now in its fourth year of growth; and if you look at the CBO estimates that the Budget Committee will talk about tomorrow, that growth is expected to continue over the next 10 years.

Now, 10 years is about as far as we project anything. And like I said, I am a CPA, and I have been dealing with projections for a long time. Quite frankly, years 5 on through 10 are just mathematical exercises. I mean, who knows whether or not those are going to be correct or not? The 2007 estimate is pretty good. The 2008 estimate is pretty good. But, beyond that, it gets a little fuzzy as to the accuracy of those projections. But, nonetheless, those projections show an improving economy.

Not only that, but the Federal Reserve as well shows an improving economy; and that is because people are out buying things, furnishing homes, buying cars, all the kinds of things the American consumer does to continue to drive this economy.

The Federal Government, the best thing we can do is get out of the way. And one of the best things we can get out of the way of are tax increases, and there is a big one coming.

You know there is a phrase out there, if a violent jihadist threatens your life, you probably ought to take him serious. Well, I think the same thing applies to tax increases. If somebody

threatens you with a tax increase, then I think you ought to take them serious. And we are 1,433 days away from a significant tax increase.

I now want to go to my good colleague from Kentucky. GEOFF and I are in the same class. The 109th Congress was our first time here. And Geoff has got a big family, which in and of itself contributes to the economy, we appreciate that, of your part of Kentucky as well the rest of the United States. So, GEOFF, share with us tonight what your thoughts are on taxes and the American people working.

Mr. DAVIS of Kentucky. Just as a former small business owner, one of the things that I would like to point out, that 88 percent of new job opportunities are created by small business owners. They are created by land developers, by construction companies, by small machining and tooling companies, small fabrication businesses, distribution businesses, professional services businesses, financial services. The glue that holds the institutions in our communities together, the framework of members of the National Federation of Independent Businesses, of our local Chambers of Commerce that serve that valuable function of communicating an agenda that focuses on growth, that strengthens our Nation for the long run.

And I think that one of the things that I would like to highlight tonight, again, is this theme that when people voted in November, much perception nationally was focused on a view that national security situation was driven by emotion. But the reality is that in that election, short of making significant strategic changes in the leadership of this Congress, America voted to increase taxes on every working family in America by at least \$2,000 a year.

One of the things that I have told folks for many, many years is we don't need to raise taxes. We need to create taxpayers. Government does not create jobs, and government itself does not create wealth or a nest egg for families of America to build for the future. What government can do, however, is set a framework for achievement, a framework where people can pursue opportunity.

The Constitution tells that the government is to provide for the common defense and to promote the general welfare. What are some of the ways that we can promote that general welfare? One of the key ways to promote the general welfare is to allow people to keep more of what they earn because they will invest it in a way that focuses on the needs of their family. They will invest it in immediate needs, in consumer goods that have a ripple effect of creating jobs. They will invest in future and retirement plans for themselves and set aside money to grow for college. All of this is fueling the economy, and keeping this in the private sector is very critical.

Some of the things that the tax cuts did were allow people to keep more of

what they earn. We eliminated the marriage penalty. We increased the child tax credit from \$500 to \$1,000. That meant, in the case of my family, nearly \$3,000 that was left to reinvest in the lives of our children and their education to save for their future. It makes a very, very big difference. When we look at the marriage penalty, it put a significant impact on working families. And, again, I come back to the fact that the average family in America is facing a \$2,000 per year income tax increase.

But there is another side of this from a small business standpoint of job creation. I would like to highlight one man whose small business benefited in the manufacturing world, creating jobs in his community, impacted the local economy because of pro-growth policies that were continued in the last Congress, allowing not only individuals and families but also small business owners to keep more of what they earn, to be able to invest that, to write down debt and to prepare to compete in the future.

We are a global economy. It is critical for us to be able to allow people to invest for the future. Remember, we don't need to raise taxes. We need to create taxpayers.

Robert Prybutok of Newark, Delaware, owns a company called Polymer Technologies. Because of the tax cuts that were enacted, he was able to hire 10 new employees in 2003 and 2004. He had approximately 72 employees in January of 2003 and now has about 90 employees.

His business continues to grow and with it the need to buy new equipment. By utilizing the expensing provisions of the tax cuts, he was able to purchase two new pieces of equipment, increase his productivity, thus increasing the security of those jobs of his company; and it saved him about \$125,000 that would have been lost in cost. This is money that can be invested in the future.

Without the ability to expense his equipment, he would have been hard pressed to purchase that equipment in the first place. He needed to grow his business and pay the taxes that he owed.

And I think the one thing that I keep in mind from my experience walking the shop floors of many, many businesses during the era of the Clinton administration where these breaks were not in place for America's manufacturing companies. People made decisions based on the structured Tax Code. They withheld making needed investment in competitive productivity improvements, needed investments in the professional education of their employees because they were uncertain of what the future held. Had the tax expensing provisions been in place, they could have made those investments more easily.

And I think it is important to keep in mind that it allows a business to invest in the future to create more tax-

payers. I think that this ability to expense equipment, this ability to make investments that are going to be job-creating investments, maybe a short-term deferral of tax payments to the Federal Government, actually will increase revenues.

How have we seen that? We have seen it over and over again. As taxes are cut, more money goes into the investment economy, more jobs are created, more taxpayers are created, and tax revenues are an all-time high right now in the Federal Government.

I think there are countless stories that we can share of successes on a small scale in small business which is really the opportunity to live the American dream. The vast majority of jobs in this country, nearly 90 percent, 88 percent are created by small business owners. They are not created by large corporations.

There is so much of a focus on the class warfare rhetoric that goes on in the Chamber that misses the point where the majority of the Americans work. And the majority of Americans work in small business. That is why we need to reduce the burden on those small businesses, create incentives so they can create jobs and create taxpayers to promote the future for their employees.

With that, I would like to yield back to the gentleman from Texas to share more of his perspective on this matter.

Mr. CONAWAY. I appreciate my colleague from Kentucky joining us tonight to have this conversation among the several of us.

I served on the Chamber of Commerce board in Midland for a number of years, and one of the things that the chamber looks at is the impact that payroll has on a community. There is a difference of opinion among folks on the chambers as to what this number ought to be, but there is a guess as to how many times that payroll turns over in a community. In other words, when the payroll is made, it is spent on local goods and services, and that person then turns around and spends it on local goods and services, and the range is, for most economic development guys, is between four times to seven times. Depending on the number you want to brag on, it will be somewhere in that range.

So the payroll that gets created that my colleague from Kentucky was talking about a while ago where these small businesses add employees turns over several times within the community and creates additional jobs, additional opportunities and additional prosperity for those folks.

It is interesting, I had a conversation this afternoon with my staff, and we are all anxiously awaiting the continuing resolution from our colleagues on the other side of the aisle. Chairman OBEY of the Appropriations Committee posted on his Web site this afternoon that they did in fact file the continuing resolution. And my staff called, and we went to the Web site. They said it was

filed. And me and my staff did. Of course, nothing is there.

So my staff called over there and asked and they got kind of a run-around. So I said, well, I will just call. So I called, and I said, hi, this is Congressman MIKE CONAWAY, and I would like to see a copy of the continuing resolution that has been filed.

And the lady said, well, it has not been filed.

I said, well, I am looking at a Web site for the Appropriations Committee, and it says they have filed.

She said, well, I know. I am not sure why that is up there, but.

I said, well, am I getting the run-around here? Is it really up there or not?

She said, no, that is a mistake. It hasn't been filed.

So, anyway, we are all awaiting the continuing resolution.

In the meantime, we are all trying to guess at what might happen. And over at the Social Security Administration they are concerned about furloughing employees because the continuing resolution that they thought might be in place will fund them at lower levels than they have been expecting and so that they are going to have to lay off employees.

Mr. DAVIS of Kentucky. Will the gentleman yield on that point for a moment?

Not only does it affect employees in the Social Security Administration who process checks for our senior citizens, it also affects our ability to fight against Islamic radicalism, fight against terrorist groups.

I flew in today with members of the FBI Southern Ohio office out of Cincinnati coming in for some business here in Washington, and they shared their concern over the lack of a continuing resolution. Was the money going to be there to fund their operations? And, right now, one of the things that our national security apparatus, because of this Democratic Congress, is having to cut positions, not just a few positions but nearly 3,000 positions because of the lack of funds to do their job which we had provided for them.

When we talk about the issues related to bringing this continuing resolution, there was a clear statement that was made about the desire to work harder. Well, last week, 2 days, we were done by 2 p.m. This week, I am reading the schedule, and it says, tomorrow, Tuesday, we will be out around 2 p.m. Wednesday, no rule yet on the continuing resolution, but likely we will be out at 2 p.m.

I don't know how many nights we worked long, long hours in this Chamber, long, long hours in committee to get the people's work done. And now we have Federal law enforcement.

I got a call today from an aviation unit in the Army that is now very concerned about its receipt of dollars. And we are inside the 48-hour window, have no language on what this bill is. They

are limiting debate to 2 hours, which I think is a very powerful statement of the direction in which they choose to take legislation, that not only did we have a tax increase 11 days ago but spending is going to be without accountability.

I intend to vote against this resolution if this resolution will not disclose the information that is necessary for us to do our job. Because, ultimately, they are going to create some real problems leading up to the foundation for this tax increase in 1,433 days.

Mr. CONAWAY. And my good colleague has added to the list of folks that are going to be impacted by this reduced cash flow to these agencies. Think about that for a second. That is what we are talking about, over at the Social Security Administration, at the FBI and other places that GEOFF has talked about. It simply reduced cash flow to those agencies; and, because there is a reduction in cash flow, they are reducing mission, they are laying people off, they are doing less service. The Social Security folks won't have as many people to service all those callers out there.

That is exactly what happens in small businesses when we reduce their cash flow by tax increases. Because money that would otherwise go into making payrolls and paying benefits and adding folks to the payrolls is now coming into these Federal Government's coffers being spent in ways that, for the most part, I suspect they are good, but there is an awful lot of waste in there. And, clearly, our taxpayers out there can spend their own dollars better than we can on their behalf.

□ 2045

Now, subsequent to my conversation with my staffer, we have gotten a rumor. And again in the minority we get to whine all the time. It is just going to be our job over the next 2 years, just to be very good whiners. It is not in our nature, it is very unlike us to do it, so we will probably do it very poorly. But we don't know what is going on over there. It has been days and days and days. These folks knew they had the reins of this thing starting January 4; they knew that on November 8. And we have had now over 2 months that they knew that this was going to be the circumstance, that they were going to be dealing with the continuing resolution, and we have no resolution to the continuing resolution. And I am sure there are good reasons on their side of the aisle for why they have not been able to make these decisions, but surely these decisions are not going to involve some of the draconian nonsense that many of our agencies are worried about, and they are worried about it because they don't have the facts. Most folks deal real well with facts. What we don't deal well with is uncertainty, innuendoes, and rumors.

So I would encourage our folks on the other side of the aisle to get that

CR done if you are going to do it. If not, then let's start bringing appropriations bills to the floor. There is nothing wrong with that. That is a nice way to do it. We should be legitimately criticized because we didn't get it done under our watch, but that same criticism now applies to the folks in charge. It doesn't matter, just get on or off the pot, as they say. Bring a CR to the floor, show us what it is; if you are hiding stuff, give us a second to try to find that out. Or let's go at it from the appropriations standpoint and bring those to the floor one at a time, as we should have.

Mr. SHUSTER. Would the gentleman yield for a second?

Mr. CONAWAY. Sure.

Mr. SHUSTER. I don't know if this is accurate or not, but I have heard people talking that the CR is going to come to the floor and it is going to look like an omnibus bill. And you know, an omnibus is like a Christmas tree; they hang everything on it that they want to get through. But that is the rumors that are swirling around here, that it is not just going to be just a CR, it is going to be an omnibus. And that is going to be bad for spending, and they are not living up to their word.

Mr. CONAWAY. I have also heard they are going to wipe out all the earmarks. It will be their definition of an earmark, and it will be interesting to see which earmarks really get zeroed out and which ones don't and how they parse that definition between the two in order to keep the ones they want and peel out the ones that they think are wasteful spending, and it will be interesting where those earmarks impact and which districts are the ones that really get peeled out.

Mr. SHUSTER. Kind of like their definition of openness.

Mr. CONAWAY. Exactly. And transparency.

Mr. SHUSTER. Openness and participatory, and transparency. And here we have passed several bills, and having gone through the committee nobody has seen them until they show up on the floor.

Mr. CONAWAY. It is not likely that this continuing resolution will go through committee either. It is just going to get dropped on us like a laser-guided bomb, rushed straight to the floor, not going to go through committee, not going to have the openness and the transparency and the 48 hours and all the kinds of things that our good colleagues on the other side of the aisle promised in October.

Promises in October are hard to keep in January, and we are seeing it, and we will continue to try to point that out without seeming as whiny as it sounds, I suspect, to my colleagues and my constituents in west Texas. But that is going to be part of our role over the next 2 years, is to be the loyal opposition, to try to do so in a respectful manner as we point out promises made and promises broken by folks on the other side of the aisle.

Does my colleague from Kentucky have some other thoughts?

Mr. DAVIS of Kentucky. One of the things that I would like to share as we come back to this issue of tax policy, again, I come back to my time walking the shop floor, and for me the one thing, you hear a lot of stories and a lot of perspectives, but for me it always came back to show me the numbers. Let's take a look at the truth, what reality is, and be able to make our decisions from there. Here is the truth about the impact on creating jobs for working families, good jobs, jobs where there would be opportunities for health care, to fund their children's education, looking to the future.

In less than 3 years, because of this policy of allowing people and allowing and incentivizing small businesses to keep more of what they have earned, the U.S. economy has grown by \$2.2 trillion. Let's put that in perspective for a moment. That is larger than the entire Chinese economy. That is the growth of the United States.

There is a lot of concern about international trade in this global economy. Just in 3 years, our increase in economic growth is bigger than the size of the entire economy of our largest international competitor. It is much larger than the total economic size of India, Mexico, Ireland, and Belgium. And I think the issue here at the end of the day is being able to allow people to keep more of what they earned, to create taxpayers, not raise taxes, because the proof is in the numbers. The proof is in changing opportunities. Yes, we are going through a time of economic adjustment, but at the same time record job creation as our economy adapts to the 21st century to compete effectively, and that is the future that our kids are going to have.

Mr. CONAWAY. I thank you.

Let's go to another colleague of ours from Georgia. Dr. PHIL GINGREY is an OB/GYN doctor, a provider of professional services for most of his career. And while all of us have great respect for physicians, at their core they run small businesses and maybe big businesses. But at its core the practice of medicine has to be a business, because he and his colleagues have to make money, they have to be able to pay their payrolls, they have to be able to buy the supplies for their offices, and all of those employees and provide benefits and all the things that they do. So in addition to providing I suspect outstanding professional care over a long, long period of time, and maybe he will share with us the number of babies he helped deliver, he is also a businessman. And in my book, that is a good two hats that he has worn over these years. So let's hear tonight from Dr. GINGREY.

Mr. GINGREY. I thank my colleague from Texas for yielding, and I am proud to be here tonight with the Countdown Crew to talk about an issue which typically you would think or you hear said many times that our

physician colleagues across this country are not real good business men and women. But as my colleague, the CPA from Texas, just pointed out, they better darn well become good business men and women.

Mr. CONAWAY. If the gentleman would yield for a second. I suspect that comment is made about their other business decisions. Running their practices, they are great business persons; but maybe in the oil business, they may not be as good.

Mr. GINGREY. I appreciate the carve-out, but it probably specifically applies to the gentleman, the peach from Georgia.

But in any regard, the main point that I would like to make, and maybe my colleagues, the gentleman from Kentucky and my good friend from the Keystone State Mr. SHUSTER from Pennsylvania, have already mentioned this, but if Congress takes no action, and that is what the Countdown Crew is talking about in these 1,433 days leading up to January 1, I think, 2011. But in 2007, in fact I think this has already occurred, but we can do something about it because tax day, April 15, is, thank goodness, 3 months away. But taxpayers in States with no income tax will not be allowed to deduct their sales taxes from Federal income tax if we don't make a change. And we are talking about Representative CONAWAY's great State of Texas, a highly populated State. We are talking about the great State of Florida. We are talking about Tennessee and other States. And this is significant, because citizens in those States pay no income tax, no State income tax, but pay huge sales tax to fund their State government, and that will go away if we don't do something about it.

In 2007, I think the gentleman from Kentucky mentioned this, the exemption for the alternative minimum tax will decrease from the current \$42,500 to \$33,750 for a single filer, and from \$62,500 to \$45,000 for a married couple.

In 2009, Mr. Speaker, my colleagues, the standard deduction for couples as a percentage of the standard deduction for a single individual decreases from 200 percent to 174 percent, further discouraging couples from entering into the great sacrament of matrimony.

And in 2010, the section 179, Small Business Expensing Cap, will decrease from \$100,000 to \$25,000.

I heard my colleague from Kentucky, Representative DAVIS, talk about this just a minute ago; and he made the comment that most of the jobs in this country, and that would include those 7 million new jobs that have occurred since 2003, in fact more new jobs than the European Union and Japan combined, most of those 7 million new jobs are created by small business men and women. And this section 179 which allows them to write off \$100,000 in the first year for capital improvement, buying a new piece of equipment, indeed, expanding the size of their operation so they can hire new people, if it

goes down to \$25,000, you are going to see, just like a stand-alone increase in the minimum wage, you are going to see jobs lost, and all of a sudden that 7 million number is going to start trickling down.

It has been mentioned that the child tax credit will decrease from \$1,000 to \$500.

And listen to this, my colleagues: on marginal rates, if this has not already been mentioned, and even if it has, it probably deserves repeating, the 35 percent bracket will increase to 39.6 percent; the 33 percent bracket, 36 percent; 28 percent bracket, 31 percent; 25 percent, up to 28 percent; and, worst of all is the 10 percent bracket will increase to 15 percent. And not to mention capital gains going back up to 20 percent. Dividends, again, double taxation on dividend. All of these things are going to really hurt this economy.

And while maybe under our majority leadership there are a lot of areas in which we could have done better, I truly believe, and I think my colleagues here tonight would agree, we could hardly have done better than the 2001 and 2003 tax cut package, many of which I just enumerated, including finally trying to get rid of the double taxation of the death tax, the estate tax. This is what Republicans have done. This is what this President has done. And this has resulted in 7 million new jobs.

Instead of an estimated cost to the revenue of \$1.3 trillion over 10 years because you made these cuts, guess what: within 2 years we have run the revenue, I think, and my colleague from Texas knows these numbers better than I do, but something like \$275 billion more revenue because of the tax cuts.

I have said this a number of times on this floor, and maybe the folks at home watching on C-SPAN know this, but in 1960 Democratic President Kennedy cut taxes, revenue went up drastically; in 1980, President Reagan, Republican President, did the same thing and the revenue went up. And of course that is the case that we have here today.

Unemployment rate across the country, 4.6 percent. In my State, where we have actually, Mr. Speaker and my colleagues, we have actually lost a lot of jobs here recently because both General Motors and Ford have shut down plants that have been in Georgia for a long time, but our unemployment rate is just barely above 5.1 percent, and we are growing jobs in other areas, small businesses primarily as I said earlier.

So to be here tonight to talk about this, talk with the Countdown Crew why this is so critical, because we know the Democratic majority has already said it. But this issue of PAYGO that they have put in the rules package, it is an absolute farce. It doesn't even look like the PAYGO provision that the then-ranking member on the Budget Committee, Mr. SPRATT from South Carolina, that what he proposed was that there would be no point of order waiver allowed; and yet in this

new rules package that they proffered in the first week of the 110th, they allow that. So that at any point if PAYGO is violated, then they can simply in their Rules Committee waive that point of order. Or if they don't want to appear hypocritical and they don't waive the point of order, then whatever is done on the Senate side and comes back as a conference committee, they waive all points of order. So to have a really meaningful PAYGO provision, then it needs to have the force of law.

And I will conclude by pointing out the double standard here. What the Democrats would consider a tax cut and the expiration of these tax cuts as something that has to be offset, but they would not consider the extension of a program that expires, that has a sunset. Let's say as an example, and I think this is a great program and I hope we continue it and maybe even make it better, but as an example of the hypocrisy of PAYGO, take something like the SCHIP program which was authorized 10 years ago and we spend about \$5 billion a year on that program. It is scheduled to sunset in June, I think, of 2007, this year. And I am sure it will be reauthorized, but that additional spending will be outside of PAYGO rules.

But yet when we have these tax cuts that expire, if we, the Republican minority now, want to continue those great tax cuts for the reasons that the Countdown Crew has enumerated here tonight, then that would be considered a new tax cut and would have to be offset. It is so hypocritical, Mr. Speaker, my colleagues. I think it needs to be said over and over again, and I want to come become and join my colleagues as often as we can to talk about this, because American people need to understand.

With that, I yield back to my colleague.

Mr. CONAWAY. I thank my colleague.

Let me make three points really quick and then we will go to closing comments because we have about 12 minutes left. But you mentioned the sales tax deduction. Just to help our many colleagues that have joined us tonight to listen to this great debate in the Chamber with us, let me explain to them what the impact is.

It is a matter of equity, because States that have income taxes, those income taxes that you pay in the State reduce your for Federal tax purposes. So you get to deduct those State income taxes.

□ 2100

So you get to deduct those State income taxes. States without an income tax, unless we put this provision back in, those taxpayers in effect subsidize the rest of the United States' taxpayers because there are inequitable circumstances. So being able to deduct sales taxes means that the taxpayers in Texas are on a more equal footing with

taxpayers in States that have an income tax.

You mentioned the marriage penalty being a detriment to getting married. I don't know if that is the case. I do know there is a calculable tax toll for making the decision to get married. That may not dissuade couples from getting married, but it might. There is a tax toll, and all of us agree that strong families are the core of the institution that is America. And to the extent we discourage strong families, shame on us.

Finally on the 179, by dropping that deduction from \$100,000 to \$25,000, what happens there is the only businesses that pay money are businesses making money. You have to have taxable income in order to make money. If we have reduced the deduction by \$75,000, the company has to pay tax, and let's assume a 35 percent tax rate, on that \$75,000. So you take the \$75,000 in profit, less the \$26,500 that you pay in taxes and that net, \$48,000, is all they have got left to pay dividends or reinvest in their business as opposed to the \$26,250 that they could have reinvested in the equipment. So these are meaningful hits and meaningful tax policy that we ought to continue.

I yield to Mr. DAVIS.

Mr. DAVIS of Kentucky. When you talk about creating strong families, I comment on our good friends and neighbors back in Kentucky, Mike and Vonna Drake. They typify Americans living that dream of being able to pursue their own opportunity. Mike works as a pilot; Vonna is a nurse. Their children are friends with my family. I have watched their kids grow up through the years.

These policies that seem so arcane, reading about them in the news or some of the shrill rhetoric that we hear during political campaigns, have a real impact on their flexibility and ability to invest in their children's future, let alone decisions that they might make regarding their futures and careers.

In 1,443 days, my neighbors are going to have a \$2,000 tax increase. They have two children. The \$500 per child tax credit that was increased to \$1,000, recognizing the cost of raising a family, the cost of investment in all of the needs of our children, and not simply food and clothing, but education and activities to grow them and develop character and to strengthen them for the future. That will revert by \$500 per child.

Now they will have an additional \$1,000 just on that alone. Because they are married, they attend church, they are committed to their faith, they are a great example of a family in our neighborhood and community, just based on the fact that they chose the course to get married, their taxes are going to be increased or they are going to have a tax penalty of 12 percent.

To your point, we need to encourage policies that will empower and strengthen families and will create taxpayers, and that will pass on that

work ethic to the next generation that made the Drakes a successful, value-adding American family. Not only do they serve their community now in their church, Vonna serves as a nurse, Mike is an aviator in the Army. He went in out of high school, got himself educated and pursued a professional career in aviation. He is a valuable member of our community.

And we need thousands and thousands of families across our districts because they are the ones who bear the burden. They are the ones who make the investment, as President Clinton likes to say. And I think of all of the dollars lost by investing in areas where it was going to create no future and create no value.

At the end of the day, unless we bring about fundamental changes in accountability, in 1,443 days this economy is going to be hurt. My friends and neighbors are going to be hurt. Small business job creation opportunities are going to be hurt because of keeping people from having that opportunity to invest and to build a future for themselves.

Mr. CONAWAY. I thank the gentleman from Kentucky, and I turn to the gentleman from Pennsylvania for some closing words.

Mr. SHUSTER. Mr. Speaker, I would like to relate two stories that I came across concerning these tax cuts.

Jim Tracy from Shelbyville, Tennessee, who is the owner of a small insurance agency, he said because of the tax cuts, he was able to use the \$7,200 that he would have otherwise spent on taxes, and he bought seven new computers for his business and he hired a fourth employee. That is just one of many.

There is another story here. Kenneth Leupp of Archbold Refuse Service in Archbold, Ohio, he says, "The tax cuts, changes in depreciation schedules and increases in dollar amount we can expense off are very welcome changes. We have made purchases we wouldn't have made under the old laws. We've saved money on taxes, increased efficiency, lowered maintenance costs, and helped stimulate the economy."

Those are just two of thousands and thousands of experiences out there because of these tax cuts. Our purpose here tonight, although I may be repeating myself, I know that people watching C-SPAN tune in and out, but I just want to remind them that in 1,443 days, it is the countdown to the Democratic tax increase. All they have to do is run the clock out. They don't even have to act on them.

So on January 1, 2011, there will be a \$200 billion tax increase to the American people. The death tax will expire, capitol gains tax, tax on dividends will expire in January of 2009. A record number of Americans are invested in the stock market with mutual funds and retirement funds. The child tax credit will be cut in half over the next couple of years. The marriage penalty will be back in place, and low-income

taxpayers will go from a 10 percent tax bracket to a 15 percent tax bracket if we don't act.

The American people need to be aware of this. And in less than 4 years, if they don't communicate to their Members of Congress that they want to see these tax cuts extended, their voices need to be heard.

Mr. CONAWAY. I thank the gentleman from Pennsylvania who is the chairman of the Countdown Crew where we come in weekly and talk about tax policy.

There is nothing magical about tax policy. There is nothing sacred about it. There are various terms and provisions. We ought to be about trying to find an efficient tax collection scheme that allows for voluntary compliance, a scheme that is easy to comply with and costs the least amount of money possible to comply with, but raises the minimum amount of money needed to fund the Federal Government.

The policy we have in place is incredibly complicated. I am a CPA, and I have spent 32-plus years in business, both complying with the tax law and trying to help other folks comply with the tax law. It is unnecessarily complicated, but it is the one we have got. The provisions we have, as has been mentioned tonight, the current rate on capital gains tax, the current rate on interest, the 179 deduction, the various marginal tax rates, all of those, while there is nothing cast in concrete or stone about that, nevertheless if you look at the results we have had since they were implemented in 2001 and 2003, this economy has grown with those tax policies in place.

Could the economy have grown with other tax policies in place? Certainly, but that would be a guess as to whether or not that happened. The truth is we know these were in place and we know what happened with respect to the economy since they have been in place, since they brought us out of the recession of 2000–2001.

GEOFF mentioned his taxpayer that he talks about. The guy I think about when we talk about raising taxes is a fellow working morning tour for a drilling rig company, probably the derrick man. He probably has the most exciting job on a drilling rig. Most drilling rigs of any substance have 15 to 30-foot substructure from the ground to the floor of the rig, and then they have a mast on top of that of something in excess of 100 feet. And the derrick man's job is to stand at about 90-plus feet above the substructure, so he is 120 feet in the air, and works. It is hard work. It is physically demanding and dangerous work. He is making good money. He works 8 hours and if he is lucky some weeks he gets overtime.

That is how he feeds his, and I say "he," most of them are men, that is how he feeds his family. When we talk about raising taxes on individuals, I don't think about Bill Gates or Warren Buffett. I think about that guy working morning tour, for example, for

Parker Drilling, or Patterson Drilling which is based in Snyder, Texas, who comes to work at 11 at night and works until 7 in the morning, and gets in a car with the other four guys on the crew and they drive home and he sleeps during the day. That is how he feeds his family. That work is 7 days a week for the most part. It is a hard job.

That is who I think about when we talk about raising taxes.

So we will be coming back here again next week on the first night back to highlight again. We will have peeled off another 7 days that we have before the automatic tax increase. We have a good colleague who gets all over us about mandatory spending. Well, this is a mandatory tax increase headed our direction, as our colleague from Pennsylvania said, if we simply run out the clock.

It will have been 18 days at that point in time since the last tax increase. We are not aware of any tax increases on the floor this week. But hang onto your wallet. Given the way so far our colleagues have run the shop, you don't get a lot of heads up on this stuff. It just comes to the floor. They could have something up their sleeve as part of the CR that would raise taxes and do all kinds of things. And I don't want to taunt them, but again not going through committee and doing regular order leads to the kind of blindsided unexpectedness where that can happen.

It has been 11 days since the first tax increase, and others are on the way.

I want to thank my colleagues from Pennsylvania, Georgia and Kentucky, and also from Oklahoma, for helping us out tonight.

REVOLUTIONIZING AMERICA'S ENERGY POLICY

The SPEAKER pro tempore (Mr. JOHNSON of Georgia). Under the Speaker's announced policy of January 18, 2007, the gentleman from Washington (Mr. INSLEE) is recognized for 60 minutes as the designee of the majority leader.

Mr. INSLEE. Mr. Speaker, I come to the floor this evening to continue the effort to revolutionize American energy. We had the first breakthrough here just about a week and a half ago where the U.S. House of Representatives took the first step in the clean energy revolution.

I think it was long overdue, and I think it is going to be much enjoyed by Americans, because what we did about a week and a half ago was take the first step toward freeing ourselves from the shackles of oil and gas and in fact starting down the road toward clean energy with a high-tech clean energy future.

The way we did that, we reeled back in \$14 billion of giveaways to the oil and gas industry, the most profitable industry in the history of the solar system, that had been given under the previous Congress; and we put that money

for Americans to use to develop a clean energy future that can depend upon Midwestern farmers rather than Middle Eastern sheiks.

This really was a first step on a long road toward a clean energy future for America. It was a very, very important first step.

This evening I wanted to share with my colleagues some folks I have met whose lives are intertwined with that clean energy future.

We call the clean energy future the new Apollo Project because we believe we need a new high-tech energy future for this country every bit as bold and revolutionary and visionary as John Kennedy's original Apollo Project when he stood behind me in 1961 and said America was going to place a man on the Moon and bring him back safely in 10 years, and that happened.

We believe that we need that same spirit, that same idea that our genius, our innovation and inventiveness in America can create new technologies to provide us new energy.

The people I wanted to talk about tonight are all people I have met in the last month and are people who I believe exhibit why we need the new Apollo energy project and why it was a good idea for Congress to have created this clean energy fund, take money out of oil and gas and put it into clean energy. I would like to talk about some of those folks.

The first two people I want to talk about are exhibits A and B as to why we need a new clean energy future.

One is President Note of the Marshall Islands who is a gracious fellow. I met him on Bainbridge Island awhile back.

□ 2115

When I talked to him, he told me about the plight of his Nation, the Marshall Islands in the southern Pacific, very, very low atolls. They are essentially coral reefs, and they are just a few feet above sea level. What the President of the Marshall Islands told me is that his Nation is now threatened by sea level rises associated with global warming, together with the coral reefs that can be occasioned by acidification in the ocean and increasing water temperature, again because of global warming and carbon dioxide in the atmosphere.

What President Note told me is that, for the last year or so, they have had to take emergency provisions to keep the sea from encroaching where they live, essentially. They are now starting to have active consideration of where folks will have to go after they leave the Marshall Islands when the seas swallow the Marshall Islands or make them uninhabitable.

Another problem they are having is the storms are increasing in severity as well.

So here we have the President of a nation state who was in Seattle this weekend pleading for us to take measures to stop global warming to try to preserve his nation. I thought this